

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

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|----------------------------------|---|---------------------------------|
| SECURITIES AND EXCHANGE | § | |
| COMMISSION, | § | |
| | § | |
| Plaintiff, | § | |
| | § | |
| vs. | § | Civil Action No. 3:16-CV-1735-D |
| | § | |
| CHRISTOPHER A. FAULKNER, et al., | § | |
| | § | |
| Defendants. | § | |

**JOINT NOTICE REGARDING CLOSING CASE FOR
ADMINISTRATIVE PURPOSES**

Plaintiff Securities and Exchange Commission (“Plaintiff”) and Court-appointed receiver Thomas L. Taylor III (“Receiver”) (together the “Parties”), respectfully file this Joint Notice (“Notice”) pursuant to this Court’s Order of October 14, 2022 [ECF No. 676] regarding the potential administrative closing of this case.

The Parties anticipate that prior to the conclusion of this case they will move the Court for relief with respect to the following actions:

1. Plaintiff’s Motions to Enter Final Judgment:

The Commission holds outstanding claims for civil remedies against the Receivership Defendants Breitling Energy Corporation (“BECC”), Breitling Oil & Gas Corporation (“BOG”), Crude Energy, LLC (“Crude”), and Patriot Energy, Inc. (“Patriot”) (collectively, “Receivership Defendants”) and Defendant Gil Steedley (“Steedley”). The Receivership Defendants and Steedley have each submitted written settlement proposals that would resolve all of the Commission’s claims in this matter.

Only the Commission¹—not its staff—has authority to settle an enforcement action.² Thus, after the staff negotiates a prospective settlement, the staff must present the proposed settlement to the Commission for its review and approval. The undersigned counsel for the Commission intends to present Receivership Defendants’ and Steedley’s settlement offers to the Commission. If the Commission approves the settlements, the Commission will move the Court to enter the appropriate orders and final judgments.

2. Receiver’s Motions

Receiver anticipates filing motions with respect to: (i) the confirmation of the final sale and abandonment of property; (ii) leave to affect a final distribution of estate assets and related claims matters (*e.g.*, the disallowance of claims for claimants which the Receiver has not been able to locate notwithstanding best efforts); and (iii) final discharge of the Receiver and related matters.

The Parties request that, to the extent the Court believes that administratively closing this case will impact the efficient consideration of these matters, the case remain open.

Dated: October 28, 2022

Respectfully submitted,

THE TAYLOR LAW OFFICES, PC

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¹ The Commission consists of five Commissioners, appointed by the President, with the advice and consent of the Senate. *See* Section 4(a) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78d(a)]. A securities law enforcement action may only be commenced by the Commission itself (*see* Exchange Act § 21(d)(1) [15 U.S.C. § 78u(d)(1)]), as distinct from the Commission’s staff, who are appointed under Section 4(b) of the Exchange Act [15 U.S.C. § 78d(b)].

² *Cf.*, 17 C.F.R. § 202.5(f) (“In the course of the Commission’s investigations, civil lawsuits, and administrative proceedings, the staff, with appropriate authorization, may discuss with persons involved in the disposition of such matters by consent, by settlement, or in some other manner”).

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ATTORNEYS FOR PLAINTIFF

CERTIFICATE OF SERVICE

I certify that on October 28, 2022 I served the foregoing document pursuant to FED. R. CIV. P. 5(b)(2)(E) by filing it through the Court's CM/ECF filing system.

/s/ Andrew M. Goforth
Andrew M. Goforth